

Missouri Timber Price Trends



Quarterly Market Report Vol. 11 No. 1 Jan.-March, 2001

Missouri Department of Conservation
Forestry Division

Missouri Timber Price Trends tracks market prices for Stumpage and Delivered Logs. Reports on the Stumpage Market are received from Missouri Department of Conservation Resource Foresters and private consulting foresters. Stumpage refers to timber sold on the stump and does not reflect delivered mill prices. Reports on the Log Market give delivered log prices and are compiled from reports submitted by sawmills and other wood processing plants. These reports should serve as a **general** guide to track stumpage and delivered log prices. Landowners should not use this report to replace a timber inventory and marketing assistance as methods of conducting a sale. Missouri Department of Conservation Resource Foresters will be able to provide information on current, local market conditions. Details of all private sales and delivered prices are kept confidential.

Tree Scale Conversion Factors

Sawlogs - Veneer Logs		Int'l = Doyle x 1.2
Pulpwood	Pine	5,200 lbs/cord
	Hardwood (hard)	5,600 lbs/cord
	Hardwood (soft)	4,200 lbs/cord

STATEWIDE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(Jan.-March, 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (M Bd Ft)
Veneer							
Black Walnut	\$3,335	\$790	\$1,525	\$920	\$965	10	50 Int. - MBF
White oak (group)	\$2,050	\$805	\$1,840	\$1,320	\$570	2	10 Int. - MBF
Sawlogs							
Ash	\$235	\$65	\$115	\$120	\$115	6	51 Int. - MBF
Basswood	\$125	\$125	\$125	\$65	\$65	2	9 Int. - MBF
Black Walnut	\$450	\$290	\$385	\$425	\$430	11	98 Int. - MBF
Cherry	\$250	\$165	\$200	-	-	2	Int. - MBF
Cottonwood	\$75	\$75	\$75	\$75	\$60	1	17 Int. - MBF
Elm	\$50	\$50	\$50	\$50	\$50	2	4 Int. - MBF
Hackberry	\$125	\$50	\$105	\$65	\$85	4	21 Int. - MBF
Hickory	\$215	\$25	\$80	\$55	\$110	12	118 Int. - MBF
Hard Maple	\$165	\$125	\$130	-	\$85	2	2 Int. - MBF
Soft Maple	\$360	\$125	\$220	\$210	-	6	195 Int. - MBF
Oak (mixed species)	\$215	\$50	\$140	\$125	\$125	14	1,281 Int. - MBF
Red oak (group)	\$310	\$35	\$195	\$140	\$150	34	2,888 Int. - MBF
White oak (group)	\$250	\$65	\$200	\$185	\$130	30	1,026 Int. - MBF
Sycamore	\$65	\$50	\$65	\$60	\$50	3	21 Int. - MBF
Mixed Hardwoods	\$230	\$25	\$135	\$60	\$165	21	649 Int. - MBF
S Yellow Pine	\$190	\$75	\$125	\$130	\$155	5	463 Int. - MBF
Post Oak	\$215	\$50	\$145	\$85	-	16	184 Int. - MBF
Fence Posts							
S Yellow Pine	40¢	40¢	40¢	-	-	1	2,000 Each
Pulpwood							
Mixed Hardwoods	\$4	\$4	\$4	\$4	-	1	1,467 Tons
Stave Logs							
White oak (group)	\$360	\$145	\$255	\$265	\$265	12	106 Int. - MBF

OZARK TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(Jan.-March, 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (M Bd Ft)
Sawlogs							
Black Walnut	\$300	\$300	\$300	-	\$450	1	1 Int. - MBF
Hickory	\$215	\$40	\$95	\$100	\$125	6	60 Int. - MBF
Oak (mixed species)	\$215	\$75	\$150	\$125	\$130	8	1,153 Int. - MBF
Red oak (group)	\$310	\$65	\$205	\$145	\$150	2	1,551 Int. - MBF
White oak (group)	\$250	\$100	\$205	\$135	\$135	16	682 Int. - MBF
Sycamore	\$65	\$65	\$65	-	-	1	4 Int. - MBF
Mixed Hardwoods	\$215	\$65	\$145	\$50	\$175	11	487 Int. - MBF
S Yellow Pine	\$190	\$75	\$125	\$130	\$155	5	463 Int. - MBF
Post Oak	\$215	\$50	\$145	\$85	-	16	184 Int. - MBF
Fence Posts							
S Yellow Pine	40¢	40¢	40¢	-	-	1	2,000 Each
Pulpwood							
Mixed Hardwoods	\$4	\$4	\$4	\$4	-	1	1,467 Tons
Stave Logs							
White oak (group)	\$360	\$235	\$310	\$265	\$240	4	32 Int. - MBF

PRAIRIE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(Jan.-March, 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (M Bd Ft)
Veneer							
Black Walnut	\$3,335	\$790	\$1,685	\$920	\$915	7	37 Int. - MBF
White oak (group)	\$2,050	\$2,050	\$2,050	\$1,320	\$430	1	8 Int. - MBF
Sawlogs							
Ash	\$235	\$65	\$165	\$120	\$80	5	25 Int. - MBF
Basswood	\$125	\$125	\$125	\$65	\$65	2	9 Int. - MBF
Black Walnut	\$450	\$290	\$370	\$425	\$390	9	69 Int. - MBF
Cherry	\$250	\$165	\$200	-	-	2	Int. - MBF
Cottonwood	\$75	\$75	\$75	\$75	\$60	1	17 Int. - MBF
Elm	\$50	\$50	\$50	\$50	\$50	2	4 Int. - MBF
Hackberry	\$125	\$50	\$120	\$65	\$85	3	14 Int. - MBF
Hickory	\$105	\$25	\$70	\$50	\$50	5	40 Int. - MBF
Hard Maple	\$165	\$125	\$130	-	\$85	2	2 Int. - MBF
Soft Maple	\$360	\$125	\$220	\$210	-	6	195 Int. - MBF
Oak (mixed species)	\$210	\$65	\$100	-	-	5	56 Int. - MBF
Red oak (group)	\$290	\$65	\$125	\$120	\$135	10	241 Int. - MBF
White oak (group)	\$250	\$65	\$185	\$210	\$120	12	315 Int. - MBF
Sycamore	\$50	\$50	\$50	\$60	\$50	1	4 Int. - MBF
Mixed Hardwoods	\$85	\$25	\$45	\$60	\$80	8	82 Int. - MBF
Firewood							
Oak (mixed species)	\$10	\$10	\$10	-	-	1	21 Tons
Stave Logs							
White oak (group)	\$250	\$145	\$210	-	-	7	12 Int. - MBF

RIVERBORDER TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(Jan.-March, 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (M Bd Ft)
Veneer							
Black Walnut	\$2,915	\$835	\$1,070	-	\$1,250	3	13 Int. - MBF
White oak (group)	\$805	\$805	\$805	-	\$1,075	1	2 Int. - MBF
Sawlogs							
Ash	\$65	\$65	\$65	-	\$150	1	25 Int. - MBF
Black Walnut	\$415	\$415	\$415	-	\$415	1	28 Int. - MBF
Hackberry	\$65	\$65	\$65	-	\$100	1	7 Int. - MBF
Hickory	\$50	\$50	\$50	-	\$100	1	19 Int. - MBF
Oak (mixed species)	\$50	\$50	\$50	-	\$85	1	72 Int. - MBF
Red oak (group)	\$195	\$35	\$115	-	\$170	3	96 Int. - MBF
White oak (group)	\$165	\$85	\$140	-	\$180	2	28 Int. - MBF
Sycamore	\$65	\$65	\$65	-	-	1	13 Int. - MBF
Mixed Hardwoods	\$230	\$50	\$165	-	\$180	2	80 Int. - MBF
Stave Logs							
White oak (group)	\$240	\$240	\$240	-	\$275	1	62 Int. - MBF

Missouri Log Market Report



Missouri Department of Conservation, Forestry Division University of Missouri, Forestry Extension Missouri Forest Products Association

Welcome to the **Missouri Log Market Report**. This report is intended to provide information on delivered log prices and market conditions for loggers and mill operators. Landowners can benefit by tracking market conditions for the various wood products harvested from a tree.

The Log Market Report is published as a cooperative effort of the Forestry Division of the Missouri Department of Conservation, University of Missouri-Extension and the Missouri Forest Products Association.

The report details prices for **Grade Logs** by species and grade; and prices for **Below Grade Logs** by species and intended end use, such as blocking, pallet lumber or ties. All prices are based on the average mean within the grade standard or product line. Absolute maximums or minimums are not reported. All prices are based on a thousand board feet unit using the International 1/4" Log Scale. Log grades used in this report are based on the following **minimum** criteria:

	Grade 1	Grade 2	Grade 3
Minimum Diameter	13-15"	11"	8"
Minimum Log Length	10'	8'	8'

We hope you find the information useful and will be working to expand the number of participating mills; reported species and products (veneer, etc); and the range of coverage for the report. All information provided by the participating mills is confidential.

If you have any questions, comments, or would like to participate in the reporting program, please call (573) 751-4115, Extension 308.

Average Statewide Delivered Prices Dollars per Thousand Board Feet, International 1/4" Scale (Jan.-March, 2001)

Veneer Species	High	Low	Average
Black Walnut	\$1,500	\$1,500	\$1,500
White oak (group)	\$1,500	\$1,500	\$1,500

*** 1 Mill(s) reporting.**

Stave Logs Species	High	Low	Average
White oak (group)	\$335	\$335	\$335

*** 1 Mill(s) reporting.**

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$335	\$295	\$240
Black Walnut	\$360	\$355	\$245
Cherry	\$460	\$380	\$345
Cottonwood	\$200	-	\$170
Hackberry	-	\$200	\$120
Hickory	\$210	\$200	\$120
Hard Maple	\$320	\$280	\$250
Soft Maple	\$435	\$365	\$300
Red oak (group)	\$415	\$340	\$240
White oak (group)	\$335	\$280	\$225
Eastern Redcedar	\$310	\$250	\$150
S Yellow Pine	\$175	\$175	\$150
Post Oak	\$240	\$235	\$190

*** 37 Mill(s) reporting.**

Average Ozark Delivered Prices Dollars per Thousand Board Feet, International 1/4" Scale (Jan.-March, 2001)

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$325	\$335	\$255
Black Walnut	\$330	\$360	\$245
Cherry	\$330	\$305	\$380
Hackberry	-	\$200	\$120
Hickory	-	\$200	\$120
Hard Maple	\$425	\$350	\$250
Red oak (group)	\$385	\$320	\$235
White oak (group)	\$330	\$275	\$225
Eastern Redcedar	\$320	\$250	\$150
S Yellow Pine	\$175	\$175	\$150
Post Oak	\$275	\$235	\$190

*** 32 Mill(s) reporting.**

Average Prairie Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(Jan.-March, 2001)

Stave Logs			
Species	High	Low	Average
White oak (group)	\$335	\$335	\$335

*** 1 Mill(s) reporting.**

Sawlogs			
Species	Grade 1	Grade 2	Grade 3
Ash	\$385	\$335	\$225
Cottonwood	\$200	-	\$170
Soft Maple	\$435	\$365	\$300
Red oak (group)	\$780	\$560	\$290
White oak (group)	\$415	\$295	-
Eastern Redcedar	\$290	-	-

*** 4 Mill(s) reporting.**

Average Riverborder Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(Jan.-March, 2001)

Veneer			
Species	High	Low	Average
Black Walnut	\$1,500	\$1,500	\$1,500
White oak (group)	\$1,500	\$1,500	\$1,500

*** 1 Mill(s) reporting.**

Sawlogs			
Species	Grade 1	Grade 2	Grade 3
Ash	\$230	-	-
Black Walnut	\$375	-	-
Cherry	\$585	-	-
Hickory	\$210	-	-
Hard Maple	\$290	-	-
Red oak (group)	\$415	-	-
White oak (group)	\$335	-	-
Post Oak	\$210	-	-

*** 1 Mill(s) reporting.**

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(Jan.-March, 2001)

Below Grade Logs			
Species	Blocking	Pallet	Tie
Ash	\$140	\$145	\$205
Black Walnut	\$145	\$135	\$190
Cherry	\$145	\$135	\$240
Cottonwood	\$145	\$140	\$165
Elm	\$140	\$140	\$190
Hackberry	\$140	\$145	\$190
Hickory	\$140	\$150	\$200
Hard Maple	\$145	\$140	\$195
Soft Maple	\$145	\$140	\$190
Red oak (group)	\$150	\$145	\$215
White oak (group)	\$150	\$145	\$215
Pecan	\$135	\$145	\$250
Gum	\$145	\$140	\$190
S Yellow Pine	\$145	\$150	\$200
Post Oak	\$145	\$150	\$200

*** 39 Mill(s) reporting.**

QUARTERLY MARKET CONDITIONS

46 mills, with a combined annual production of 128 million board feet, participated in the survey of log and lumber market conditions. In addition, foresters reported stumpage prices resulting from 45 timber sales containing 7.2 million board feet located throughout the state.

Other Product Prices
(Jan.-March, 2001)

Product	Avg. Price
Cedar Shaving Bolts	\$80/ Cord
Pine Shaving Bolts	\$15/Ton
Scrag Bolts	\$50/Cord
Scrag Logs	\$20/Ton
Scrag Logs	\$50/Cord

Log Markets

Nearly 50 sawmills reported prices and market conditions for the first quarter of 2001. That is a very good sampling (approximately 12-14%) of all the sawmills in the state. However, it is still difficult at times to interpret the information in terms of *general business conditions*. This report must consider the figures and comments from individual mills and compile them into trends that apply throughout the state or over a large region of the state. Hopefully, the trends and forecasting that result are helpful to individual mill owners in determining how their personal situation relates to the entire Missouri sawmill industry. In that regard, here is what we gleaned from your reports for the past quarter.

Greater than 3/4 of all the sawmills in the state are operating at 75% of capacity or above. No mills were closed because they were out of logs, however about one-third of the mills reported low log inventories. By contrast, only 13% of the mills reported surplus log inventories. General

conclusion: The majority of the mills made it through winter with adequate log supplies.

Log purchases over the next three months are likely to be slightly above average. Generally log purchases will be greater than in the Spring of 2000, but the prices paid for logs will vary considerably in different regions of the state. Lower grade logs, such as those used for pallet and blocking material, are likely to see price reductions in the range of \$10-\$15 per MBF throughout the state. Tie log prices will most likely remain steady to slightly higher in local areas. Seasonal demand for landscape ties will decline slightly, possibly softening those markets. Grade log prices are also predicted to soften for Cherry, Soft Maple, Hard Maple, Hickory, Ash, and Pine. Seasonal factors are responsible for reduced demand for the maples, but consumer preference for their lumber indicates stable market prices. Increases are indicated for red oak, white oak, and cottonwood logs. It is the same old story of higher quality logs bringing premium prices and low quality logs being more subject to the vagaries of the general economy.

Declining markets during the last quarter seemed focused on the pallet industry and pine lumber and crossties in southern Missouri. Pallet lumber, pallet cants, and pallet cut-stock were all mentioned in many mill reports as declining markets. On the other side of the coin, flooring lumber demand and price were strong as were markets for hardwood crossties.

The general economy has slowed in many sectors, but the majority of the reporting sawmills indicate their volume of business as well as the price they receive for products has remained steady. Of course, most are keeping a watchful eye on orders, receivables, and inventories as the US economy tries to regain some momentum. There is optimism for increasing business in the next three months.

Stumpage Markets

One thing is certain, the first quarter of 2001 was an active time for forester-conducted timber sales. There were nearly 50% more timber sales reported last quarter than normal. It appears that an increased availability of consulting foresters and public agency assistance are having a positive impact on this type of timber sale. It was also noted that the volumes of timber in the sales is increasing. This could be the start of a trend among private landowners to trust their timber sales to the expertise and experience of a professional forester. If true, it could mean improved quality timber throughout the state in the future.

Seasonal markets for both walnut and white oak veneer were active with some very attractive prices. Veneer markets for other species still appears to be lacking however. Where are all the red oak veneer buyers? Surely Missouri has some red oak, especially in northern Missouri, that would be of interest.

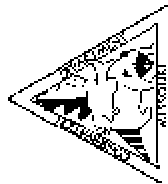
Overall, stumpage prices for most species appeared to be much the same as the previous quarter. Black walnut lumber grade trees appear to have declined slightly. Demand for pine sawtimber was also another disappointment, but one that actually started in late 2000. The lack of good markets for Missouri shortleaf pine is probably due to lack of processing plants for high value pine products within the state. The larger diameter pine must be exported outside the state for processing incurring significant transportation costs. Out of state buyers reduce the stumpage price to make up for the freight bill. Missouri pine would appear to be a bargain for these out-of-state processors compared to prices in adjoining southern states. It is doubtful this situation will change significantly in the near future.

Oak sawtimber prices for nearly all species was increased from the previous quarter. White oak stave logs were down slightly, but prices should remain steady into late Spring. Please note the comments about demand and price for oak sawlogs of all species in the "Log Market" section. The remainder of 2001 looks promising for oak timber sales, especially those containing good quality material.

Shelby Jones, Editor

Editor's Note:

Remember that one of the most valuable sources for information on log and timber markets is the local Missouri Department of Conservation Resource Forester. Contact the nearest Forest District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (573) 751-4115, Extension 308, will be happy to provide you with the name and address of the Resource Forester or District Forest Office nearest to you.



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